SUMMARY OF CHARTER § 1508 PROVISIONS FOR NON-RESIDENTIAL DEVELOPMENT

Under City Charter Section 1508, non-residential growth has been limited until the year 2010. Charter §1508 states that new non-residential development in the City must be allocated from one or more of the following categories:

Category	Square Footage Allocated to Category
Approved Projects	900,000 SF
Pending Projects	700,000 SF
Vacant Property	500,000 SF
Small Additions	600,000 SF
Community Priority	300,000 SF
Total	3,000,000 SF

Minor Additions of 1,000 SF or less per parcel are not limited by Charter §1508.

To provide for important needs of the community to be met within the parameters of future development, the Community Priority and Economic Development Categories were established.

Community Priority: The Community Priority designation was envisioned for use by only those projects that clearly provide a public benefit. Section 28.82.300 of the Zoning Ordinance defines Community Priority as follows:

"A project which has been designated by the City Council as a community priority necessary to meet a present or projected need directly related to public health, safety or general welfare."

"General welfare" is defined in the Ordinance as follows:

"A community priority project which has broad public benefit (for example, museums, childcare facilities, or community centers) and which is not principally operated for private profit."

The Charter Section 1508 allocated 300,000 square feet for development under the Community Priority Category. Given the limited amount of floor area available for these projects, developments proposed for designation as a Community Priority are reviewed carefully against the criteria above.

Economic Development: The Economic Development category was envisioned as a way to provide for unanticipated future needs related to the economic health of the City by using expired, withdrawn, denied, and unallocated square footage from the Approved, Pending, and Small Addition General Plan categories.

The Economic Development Category was added to the Charter in 1995. All square footage from the Approved Projects, Pending Projects and Small Additions categories that is not used because projects are withdrawn or their approvals expire, along with square footage in the Small Addition Category left over from the annual 30,000 SF component, is moved into the Economic Development category. The 3,000,000 SF cap remains unchanged.

Section 28.87.300.B.3 of the Zoning Ordinance describes a project that is eligible to receive Economic Development square footage as:

"A project which has been designated by the City Council as a project that is consistent with the City Charter, General Plan and this Title, will enhance the standard of living for City and South Coast residents and will strengthen the local or regional economy by either creating new permanent employment opportunities or enhancing the City's revenue base. An Economic Development Project should also accomplish one or more of the following:

- a. Support diversity and balance in the local or regional economy by establishing or expanding businesses or industries in sectors which currently do not exist on the South Coast or are present only in a limited manner; or
- b. <u>Provide new recreational, educational, or cultural opportunities for City residents and visitors; or</u>
- c. <u>Provide products or services which are currently not available or are in limited supply either locally or regionally."</u>

"Standard of living" is defined as:

"Wages, employment, environment, resources, public safety, housing, schools, parks and recreation, social and human services, and cultural arts."

Both Categories: If the Council grants a non-binding Preliminary Designation, the project would then proceed with Planning Commission review. In addition to the required Development Plan findings, the Planning Commission would make a recommendation to the Council regarding the appropriateness of the Final Community Priority or Economic Development Designation. The City Council would then be requested to grant a Final Designation as part of the project approval.

Generally, projects are allocated the first 3,000 square feet of project space from other categories for which they are eligible, such as Minor Addition, Small Addition, and/or Vacant, and remaining new square footage may be considered for Community Priority designation. For Economic Development, the first 1,000 square feet is usually taken from the Minor Addition category.

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